

Optimizing Your Claims Management Approach

By Maria Vandenhurk

Quick Questionnaire

- Most individuals receiving disability payments experience medical problems as the primary barrier to resuming work. Yes/No
- Most physicians understand the role they play in RTW planning and I can rely on the attending physician to identify if his patient is ready to return to work and when. Yes/No
- Receiving medical clearance is the most important element in facilitating an employee's successful return to work. Yes/No
- Medically necessary time off work is a common requirement during the first few months of an illness or after an injury or surgery. Yes/No
- Disability/capability for work, does not generally involve personal choice. Yes/No

If you answered YES to any of the above, there are likely opportunities for you to improve your case management approach.

It is now well established that best practice in case management requires a lens on 'de-medicalization'; an approach that focuses more holistically on the person rather than overemphasizing the diagnosis and symptoms. This modernized approach is gaining application in the disability insurance industry and for good reason: it allows for a winning scenario where all stakeholders stand to benefit. On a traditional backdrop where claims have been managed by confirming a medical diagnosis and ensuring appropriate treatment, the more desired approach reduces the over emphasis on "medical" and instead extends its focus onto equally important elements like current capabilities, work demands, reasonable accommodation and ensuring that the employee and employer have clear information and a full understanding of the options available all along the path. Specifically, it includes an understanding of preventative measures, Stay at Work (SAW) options and Return to Work (RTW) opportunities.

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In embracing the de-medicalized model, it is common for the pendulum of understanding to swing into an attitude that the medical is unimportant. In reality, a de-medicalized or outcomes focused approach does not overlook or ignore the medical nor does it fail to value optimum medical management. Rather, it goes well beyond it embracing the full myriad of factors that ultimately speak to the complexity of each case. This broad based lens is applied both in the assessment of eligibility and the management of the claim toward resolution. It calls for such elements as thorough information gathering (including non-medical influencing factors that may well be at the heart of prolonged absence), active ongoing dialogue with the employee (who sits at the centre of the process) and case specific action planning drawing on full spectrum solutions and linked to specified timeframes.

The following table summarizes the hallmark differentiators between the more traditional medically focused approach and a de-medicalized approach:

Traditional Medical Focus	De-medicalized Focus
Focus on symptoms, impairment, limitation, restrictions	Predicated on optimum medical management, the focus is on function, capability, work demands & modifications, transferrable skills
Reactive	Proactive
Rarely examines influence factors or non medical factors; may even avoid documenting them	Identifies influencing and non medical factors; sets strategy to manage as appropriate; clarifies expectations around non medical barriers to RTW (i.e. childcare challenges)
Wait for recovery; wait for medical clearance; views Dr. as the gatekeeper/authority	Looks for activation opportunities, views return to work as part of the recovery process; seeks medical input as appropriate
Relies on medical treatment providers for an understanding of function	Use of telephone interviews directly with the claimant to gather the functional picture; communicates functional picture to the doctor
Focus on medical treatment and solutions; often unaware of range of other possible solutions	Invested in vocational rehab, behavioural & activation oriented solutions, optimum medical recovery still encouraged
Often misses opportunity to impact claims duration	Optimum management of claims duration; understands that monthly benefit are the silent cost of disability

How do stakeholders benefit?

The Employee - There is a widespread belief that time off from work can reduce or eliminate unwanted stress and allow a worker to recover. What is generally not considered is the significantly negative impact that prolonged unnecessary time away from work can have on the worker's daily life and well-being. Consider such impacts as loss of social relationships, compromised self-respect that comes with no longer generating an income from one's own effort and the erosion of a sense of identity that accompanies the loss of the worker role. While we all welcome a vacation from work, extending this into prolonged time away particularly when the worker may sense that it is not necessary, results in undesirable complications for most human beings.

It is well establishing in the literature that workers receiving monetary benefits recover less quickly and have poorer clinical outcomes than those with the same medical conditions who do not receive compensation. See Harris et al, Journal of the American Medical Association (2005):

- 175 of the 211 studies meeting the inclusion criteria reported poorer surgical outcomes for patients on workers' compensation or involved in litigation; 35 studies reported no difference while only one study found better outcomes in compensated patients
- Of the 86 studies that excluded patients in litigation, the odds of an unsatisfactory outcome were nearly four times higher for the patients on workers' compensation than for those not receiving compensation.

We all know that the key to preventing disability is early intervention. A range of studies have shown that after six months of absence, the odds of returning to full employment is just 50-50. In fact, by the 12th week, the odds of a worker ever returning to work drop 50 percent.

The Employer – the cost of absence, direct and indirect, and in particular mental health related absence has been emerging as a serious and significant concern for the past two decades. According to a report to the Parliament of Canada in 2004, disability claims involving mental illness were the fastest-growing category of disability costs. Mental illness and addiction account for 60-65% of all disability insurance claims among select Canadian and American employers. More recently, a Mercer Canada survey of 450 Canadian organizations in 2008 determined that almost 80% of those surveyed found that mental health issues have increased in importance compared to three to five years ago. On a more global scale, according to the International Labor Organization, "claims for disability benefits are surging in industrialized countries - up to 600 percent in some nations - encouraging governments, private companies and unions to search

for ways to get disabled people back to work."

The Insurer – for the group disability insurer, the benefits of a de-medicalized emphasis include improved outcomes related to key metrics including reduced claims, increased resolutions, reduced durations and lowered reinstatement rates. While the associated impact on reserves make obvious the business case to embrace a new approach, this is not so easily accomplished. The skill advancement required at the case analyst level is significant and involves a considerable commitment by the organization to training, measurement and mentoring; perhaps even a commitment by the industry to introduce standards and certification. The skill set that goes with a de-medicalized approach is dramatically more complex with a heightened focus on such requirements as targeted information gathering, analysis, communication, stakeholder management, and personalized action planning.

The future

The case for improved management of unnecessary disability related leave is clear and compelling at moral, clinical and financial levels. Embracing outcomes based case management by way of shifting to a de-medicalized lens shines a light on the way to proceed. Overall, employees, employers and insurers share a common goal - to prevent work absence and to mitigate when prevention fails or is not possible. Employees are enabled to return to maximum health and productivity while employers/insurers benefit from reduced disability costs & absences and foster increased productivity in the workplace.

ABOUT THE AUTHOR - Maria Vandenhurk



Maria Vanderhurk founded Banyan Work Health Solutions in 1995 and is currently the COO. She has more than 20 years of front line experience working with a range of diagnosis including mental health, cardiac, and musculoskeletal, with a special focus on multi-diagnosis cases. Maria has instilled in her team a de-medicalized, function-focused approach to case management where return to work is very much part of the recovery process. She has published several articles in leading industry magazines such as Canadian Underwriter and Benefits Canada and has developed an e-learning series on outcome based disability management.



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